2015 RETAIL RECRUITMENT & RETENTION SOLUTION

TEMECULA, CA

Temecula

The Heart of Southern California
Wine Country

OBJECTIVE

Temecula's Objectives Are:

- Understand its retail economic condition and seek an actionable program to recruit new retailers.

Buxton Solution:

- Buxton's retail recruitment solution identifies specific retailers who seek a market with household purchasing habits just like yours and provides custom pursuit packages for up to 10 of these retailers.

- This solution is a marketing strategy that enables community leaders to immediately implement a retail development program targeting new retail growth as well as retaining existing business.

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PROJECT STATUS

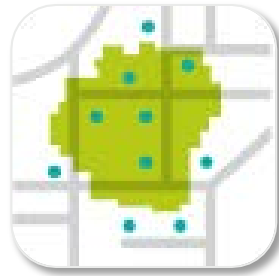| Process Outline	Status
Your Unique Thumbprint	Complete: Results Provided
• Drive-Time Trade Area	
• Consumer Market Assessment	
Target Retailer Identification	In Process
• Consumer Profile Match Process	
• Retail Market Conditions	
Implementation	In Process
• Pursuit Packages	
• Contact Information	
• Engagement letters	

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RETAIL THUMBPRINT

CONSUMERS + **DRIVE-TIME TRADE AREA** = **YOUR RETAIL TRADE AREA'S UNIQUE THUMBPRINT**

DRIVE-TIME TRADE AREA

DRIVE-TIME TRADE AREA ANALYSIS

- Drive-Time Trade Area identifies how far (in minutes) consumers are willing to drive to consume goods/services within your community.

- The recommended drive-time trade area is meant to encompass the day-in-day out sustainable consumer base. Less frequent consumers may fall outside of the trade area as they are not considered to be day in day out consumers.

- Buxton's proprietary drive-time software analyzes:
  - Speed limits
  - Road classification
  - Length of road
  - Time of day
  - Additional variables

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DRIVE-TIME TRADE AREA

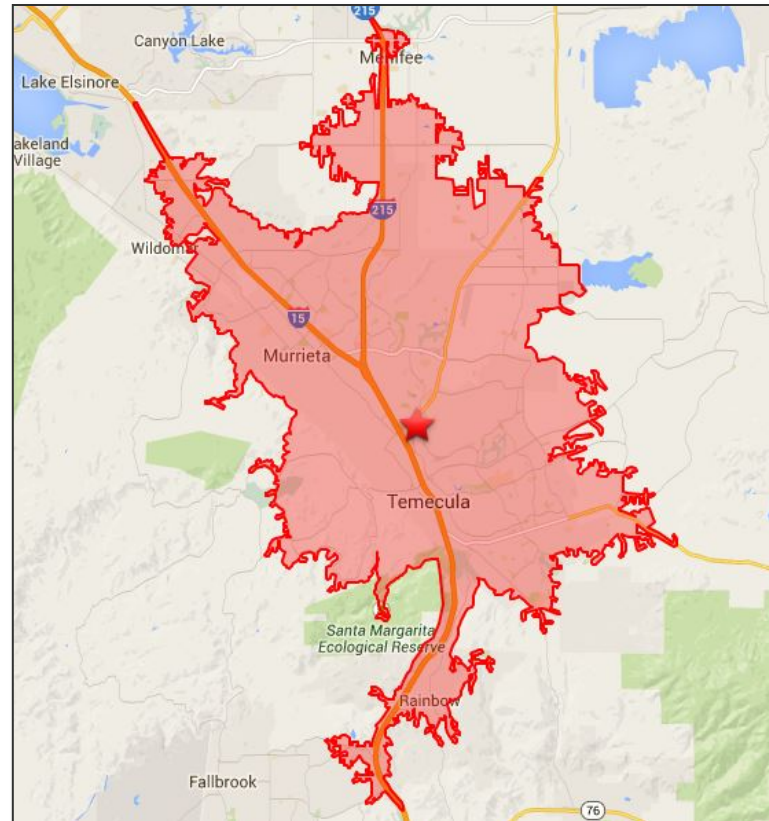**Drive-Time Trade Area:**
15 minutes

The day in day out sustainable consumer base lives within 15 minutes.

⭐ Promenade Mall
40820 Winchester Rd
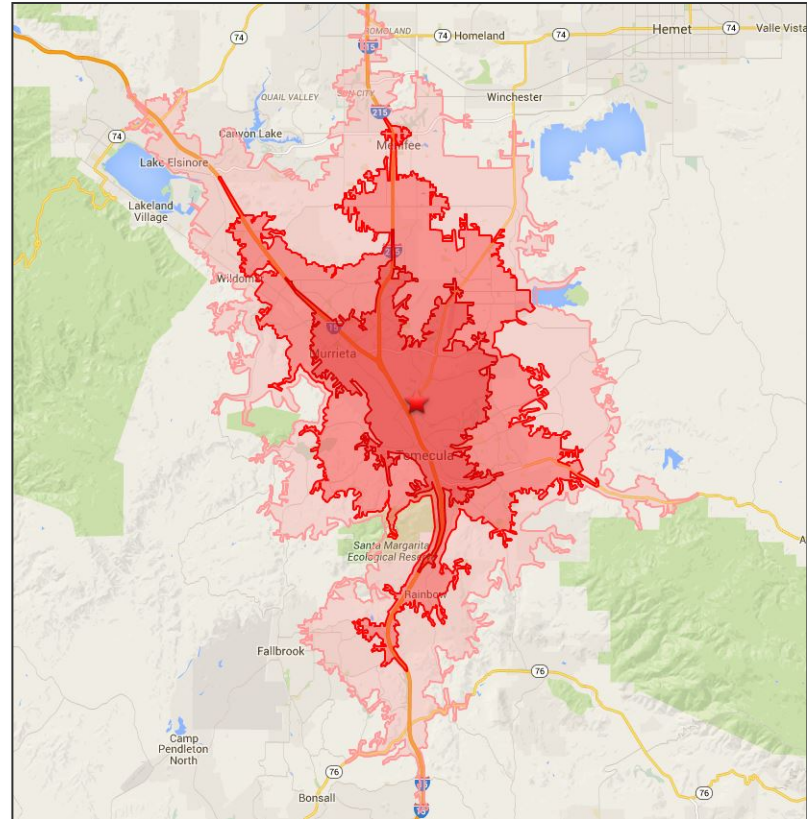Temecula, CA 92591

🟥 15-Minute Drive-Time
Trade Area

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DRIVE-TIME TRADE AREA

Numerous drive-times are being considered based on specific business concepts and retail categories.

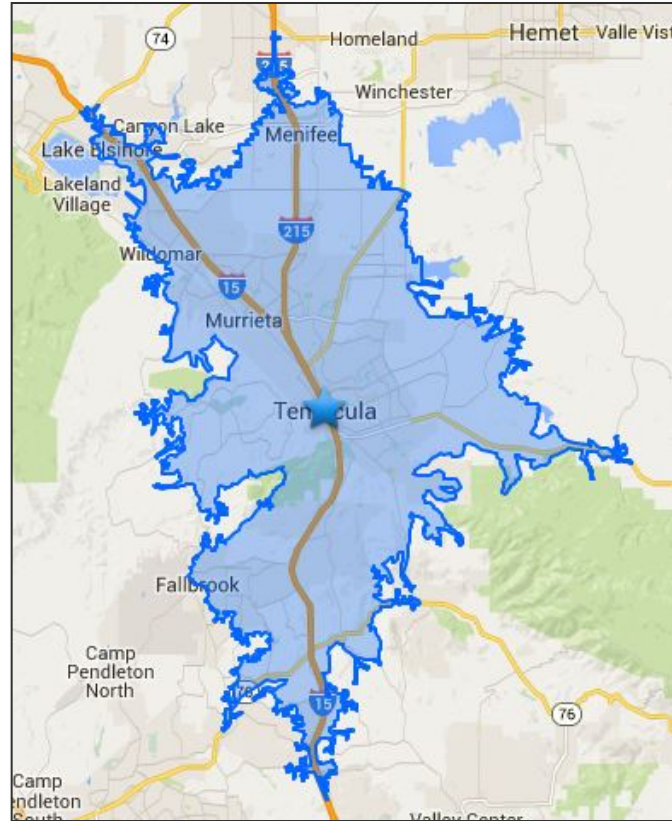| CATEGORY	TRADE AREA
Fast Food	10
Clothing	15
Furniture	20
Over 60 retail categories being analyzed	

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DRIVE-TIME TRADE AREA

Drive-Time Trade Area:
20 minutes

The day in day out sustainable consumer base lives within 20 minutes.

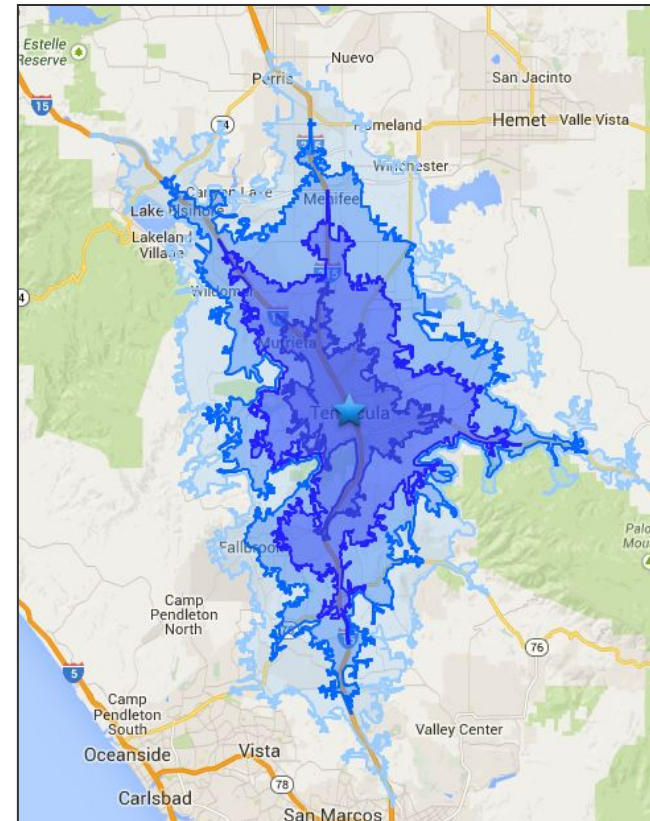⭐ Old Town
41000 Main Street
Temecula, CA 92590

🟦 20-Minute Drive-Time
Trade Area

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DRIVE-TIME TRADE AREA

Numerous drive-times are being considered based on specific business concepts and retail categories.

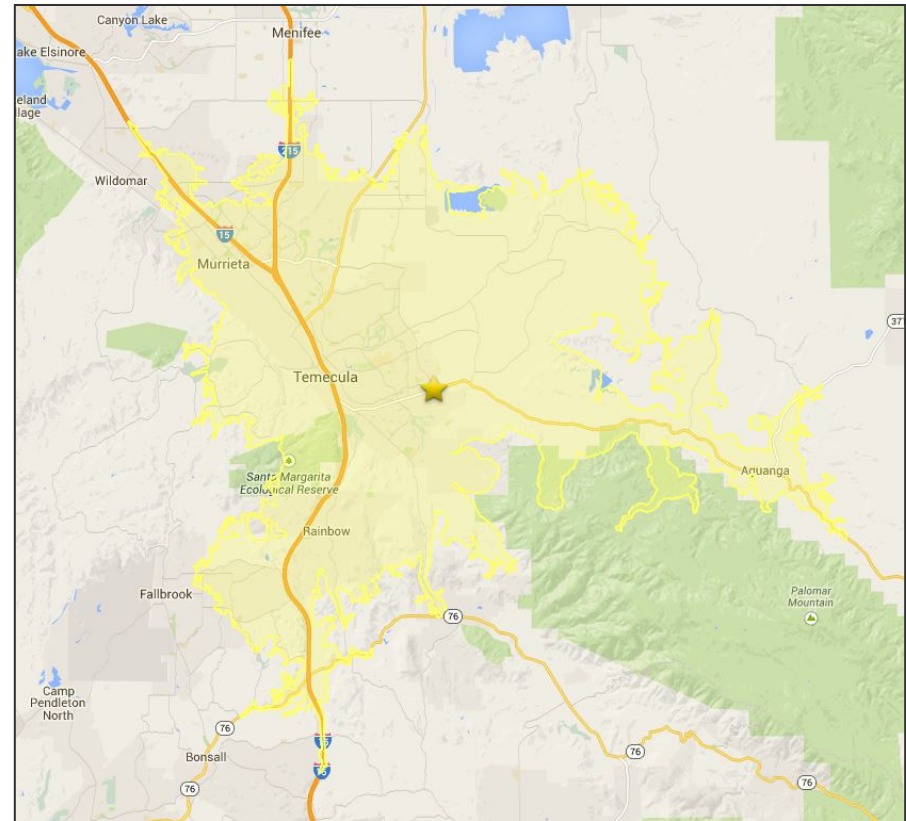| CATEGORY	TRADE AREA
Fast Food	10
Gym	15
Sporting Goods	20
Hardware/Home Improvement	25
Over 60 retail categories being analyzed	

DRIVE-TIME TRADE AREA

Drive-Time Trade Area:
<u>20 minutes</u>

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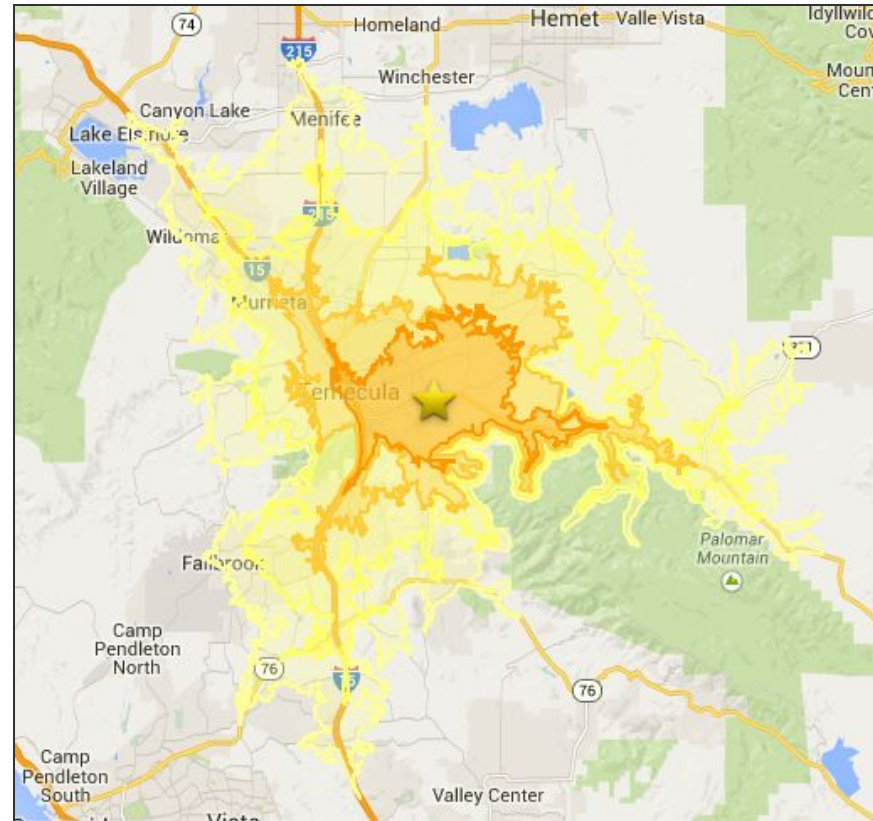⭐ Temecula Parkway
33385 Temecula Pkwy
Temecula, CA 92591

🟨 20-Minute Drive-Time
Trade Area

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DRIVE-TIME TRADE AREA

Numerous drive-times are being considered based on specific business concepts and retail categories.

CATEGORY	TRADE AREA
Fast Food	10
Gym	15
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Hardware/Home Improvement	25
Over 60 retail categories being analyzed	

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CONSUMER PROFILES

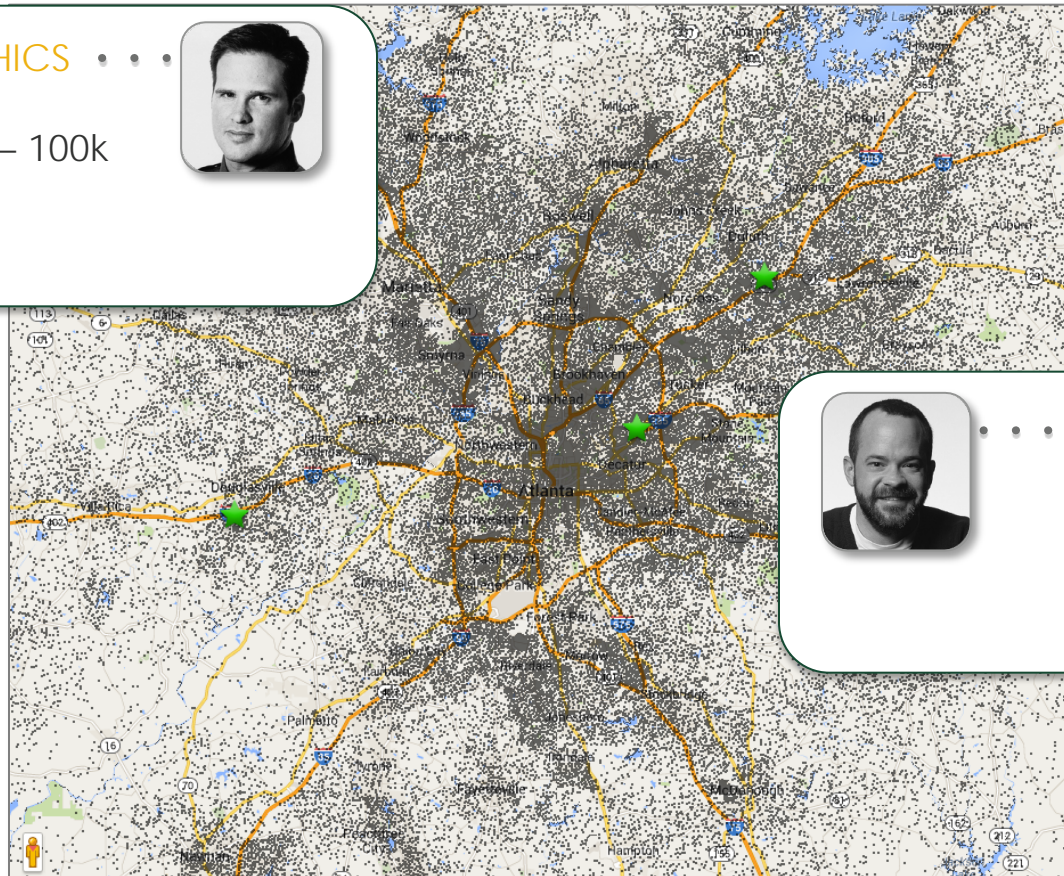# GET BEYOND DEMOGRAPHICS

DEMOGRAPHICS ONLY TELL A PIECE OF THE STORY
- NOT ACTIONABLE
- LIMITED APPLICATION

DEMOGRAPHICS
Age: 35-50
Income: $75 – 100k
Married

DEMOGRAPHICS
Age: 35-50
Income: $75 – 100k
Married

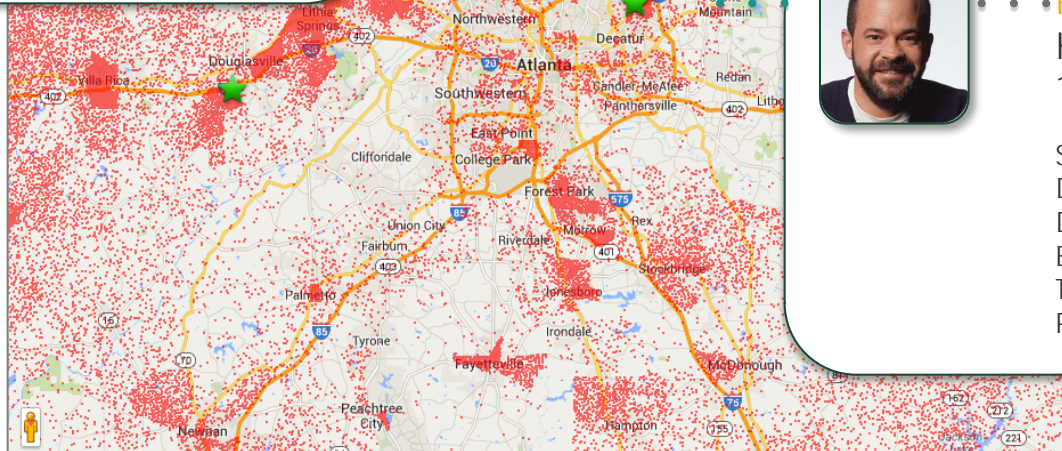# UNDERSTAND WHO THE CUSTOMERS ARE

GET BEYOND DEMOGRAPHICS
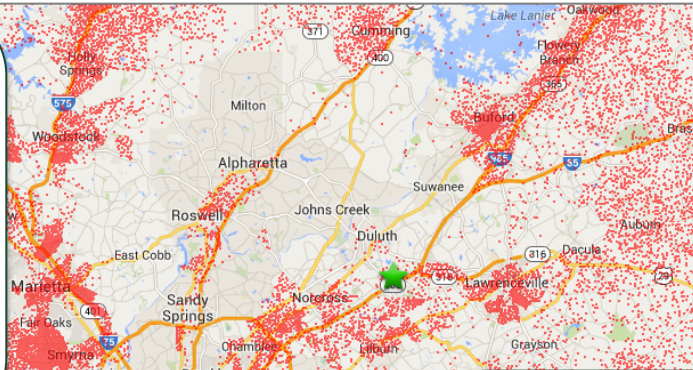– TALK ABOUT CUSTOMERS
– UNDERSTAND CONSUMER BEHAVIOR
– HOUSEHOLD LEVEL

PSYCHOGRAPHICS

Jeffrey Shaw
1010 Imperial Way

Shops at Trader Joe's
Drives Jaguar
Drinks El Tesoro Tequila
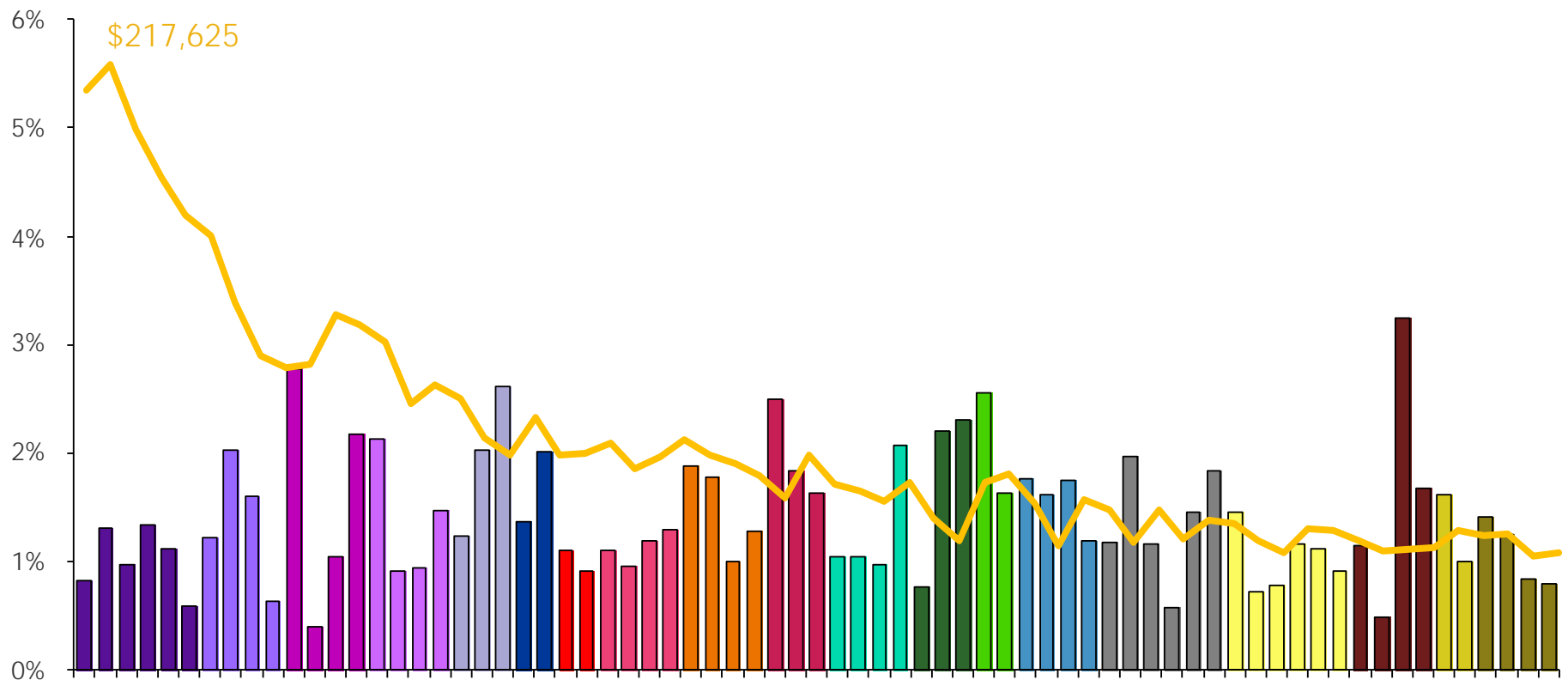Eats at Chipotle
One Child
Netflix Subscriber

PSYCHOGRAPHICS

Kenneth King
1308 Center St

Shops at Costco
Drives Porsche Crossover
Drinks Red Wolf Beer
Eats at Schlotsky's Deli
Three Children
Prefers Movie Theaters

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SEGMENTATION

All U.S. households are grouped into types based on demographics and **psychographics**

IDENTIFY & ANALYZE YOUR PATIENTS

D17: Cul De Sac Diversity

Ethnically-diverse, middle-aged families settled in new suburban neighborhoods

Lifestyle Characteristics	Index
Head of Household Age: 36-45 Yrs	290
Belong to PTA	236
Household Income - $100K-125K	198
Exercise at private club	158
First to try new health food	145
Over 75,000 individual categories available	

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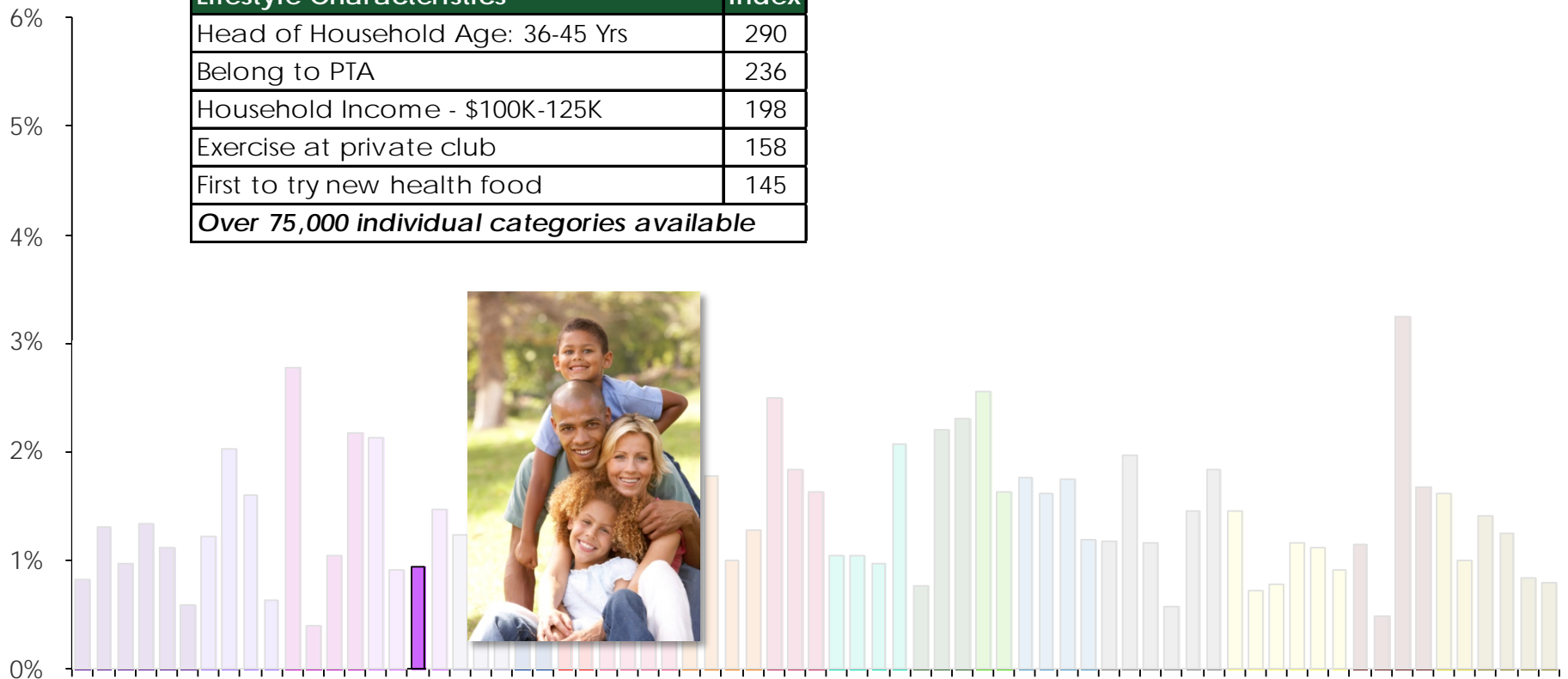
CONSUMER PROFILE

The psychographic profile of the households within a 15-minute drive-time of the site is presented below.
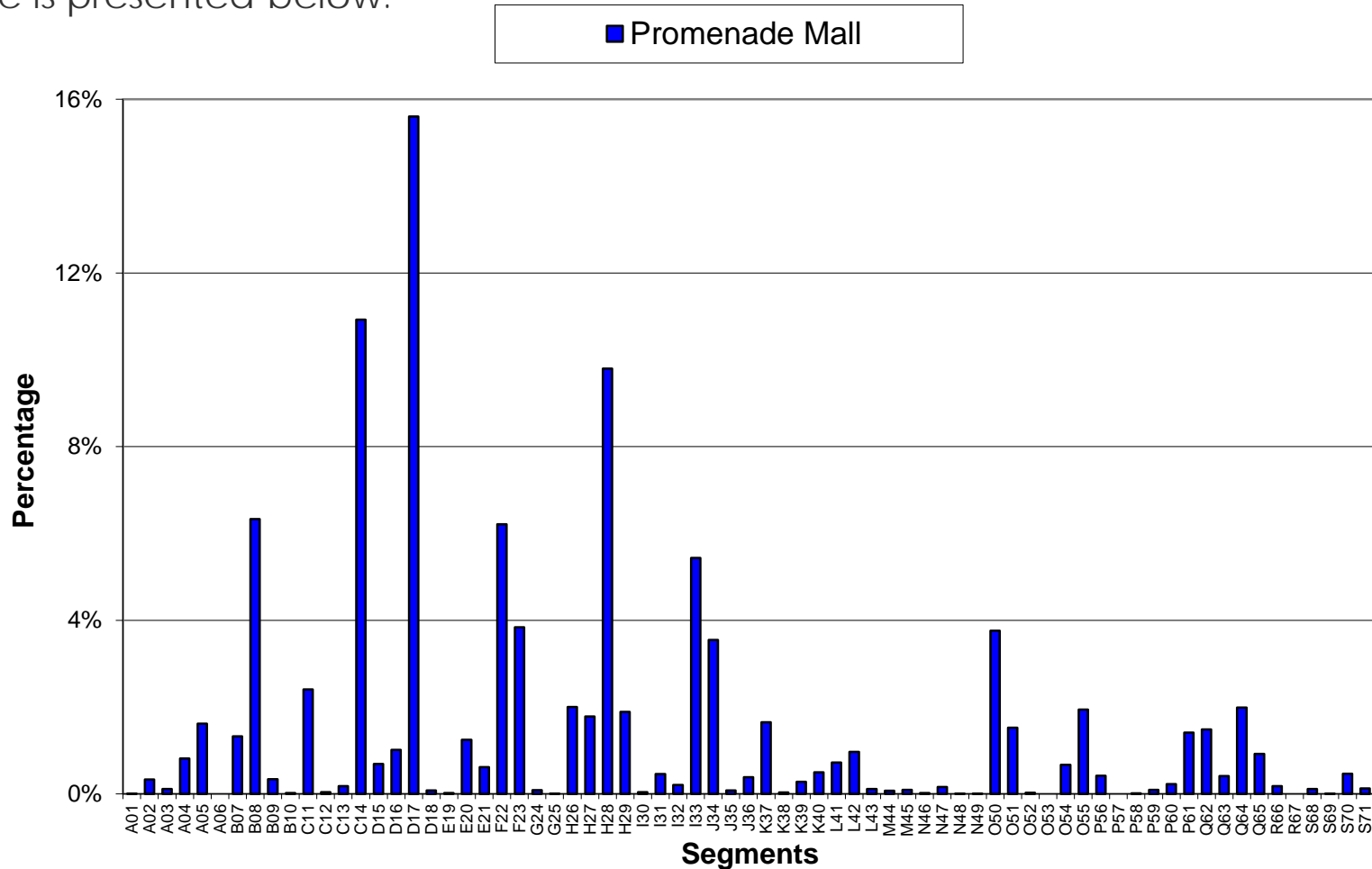
CONSUMER PROFILE

The psychographic profile of the households within a 20-minute drive-time of the site is presented below.

CONSUMER PROFILE

The psychographic profile of the households within a 20-minute drive-time of the site is presented below.

CONSUMER PROFILE

The psychographic profile of the households within the given trade area of the site is presented below.
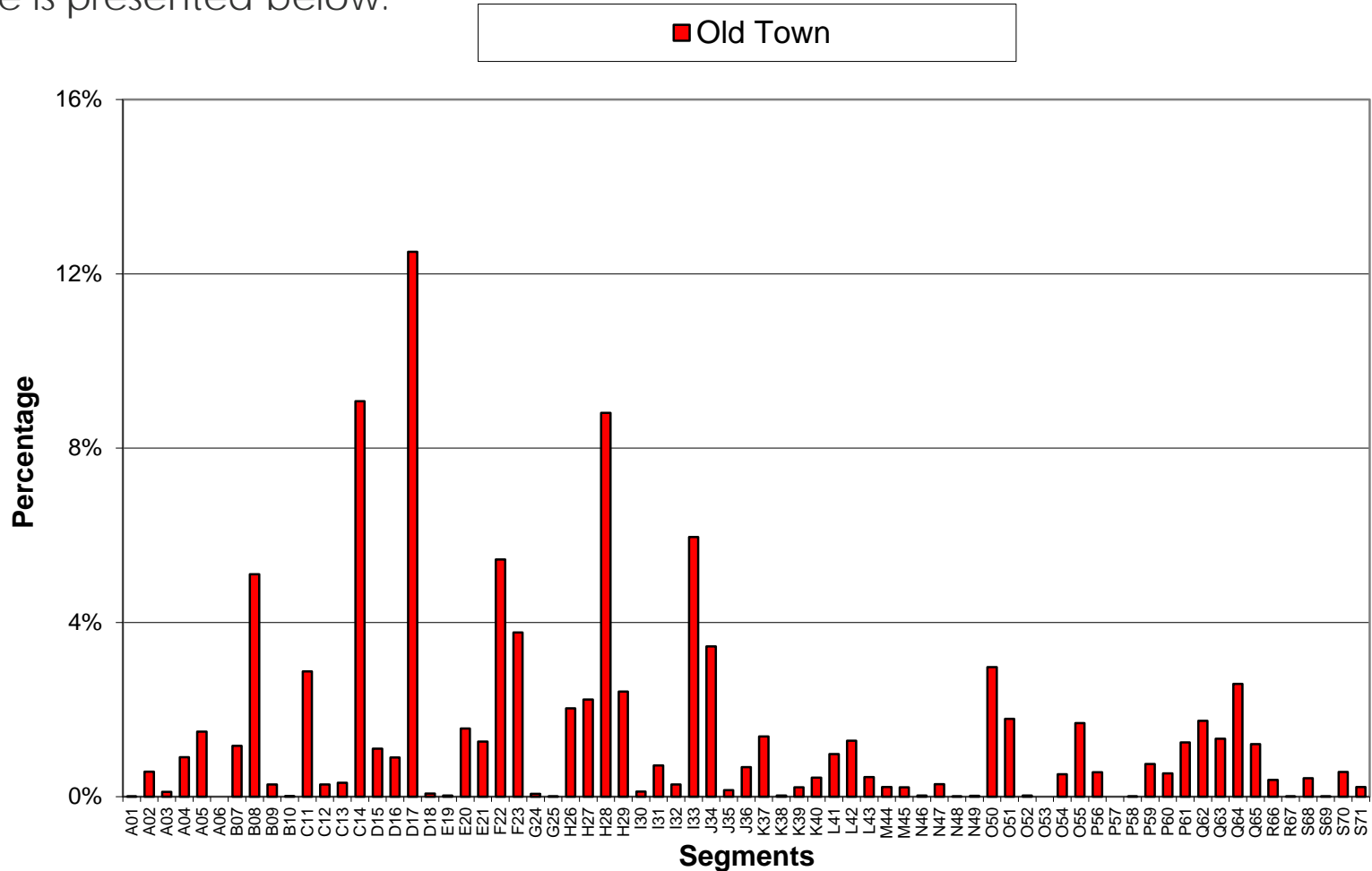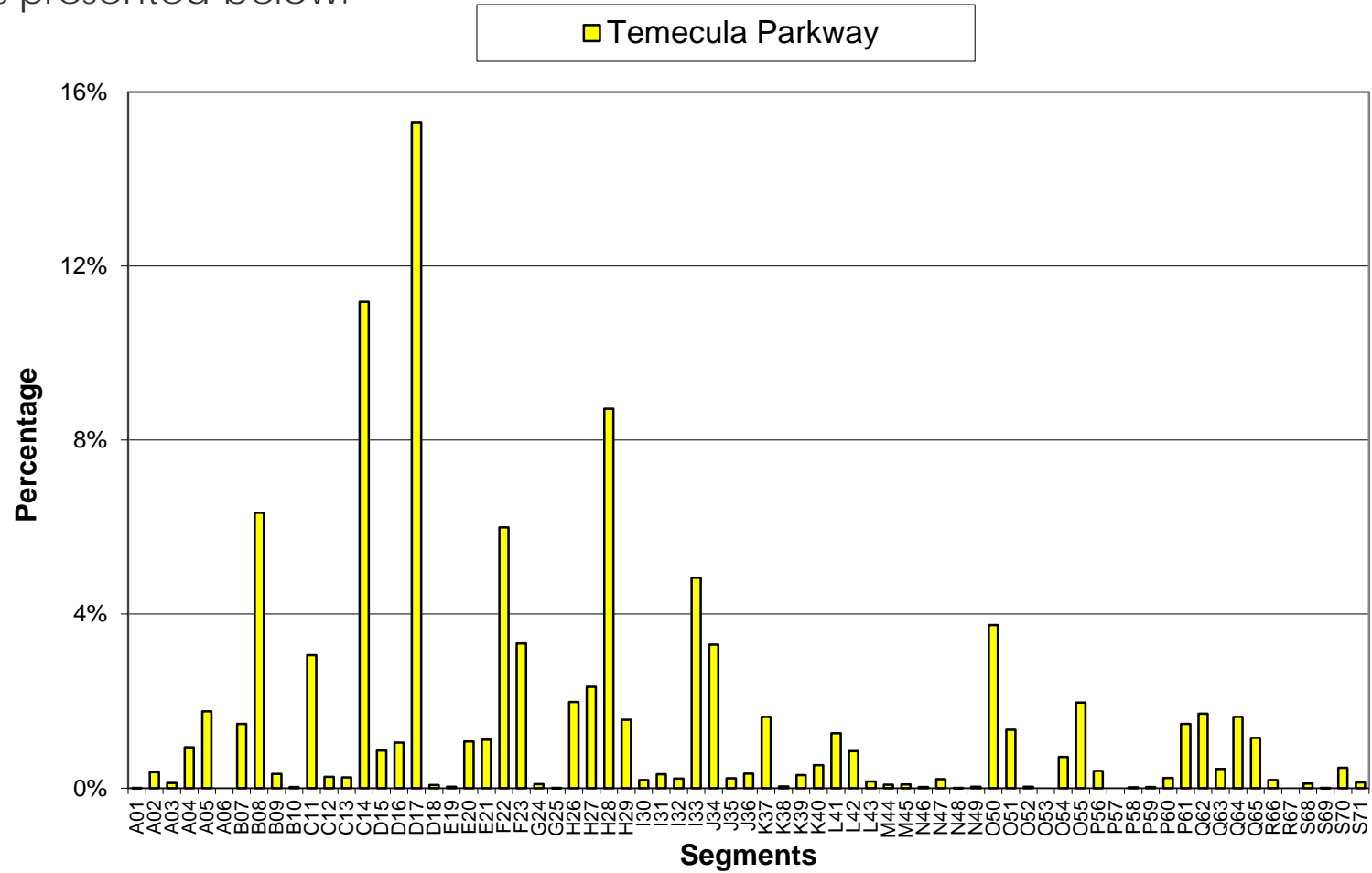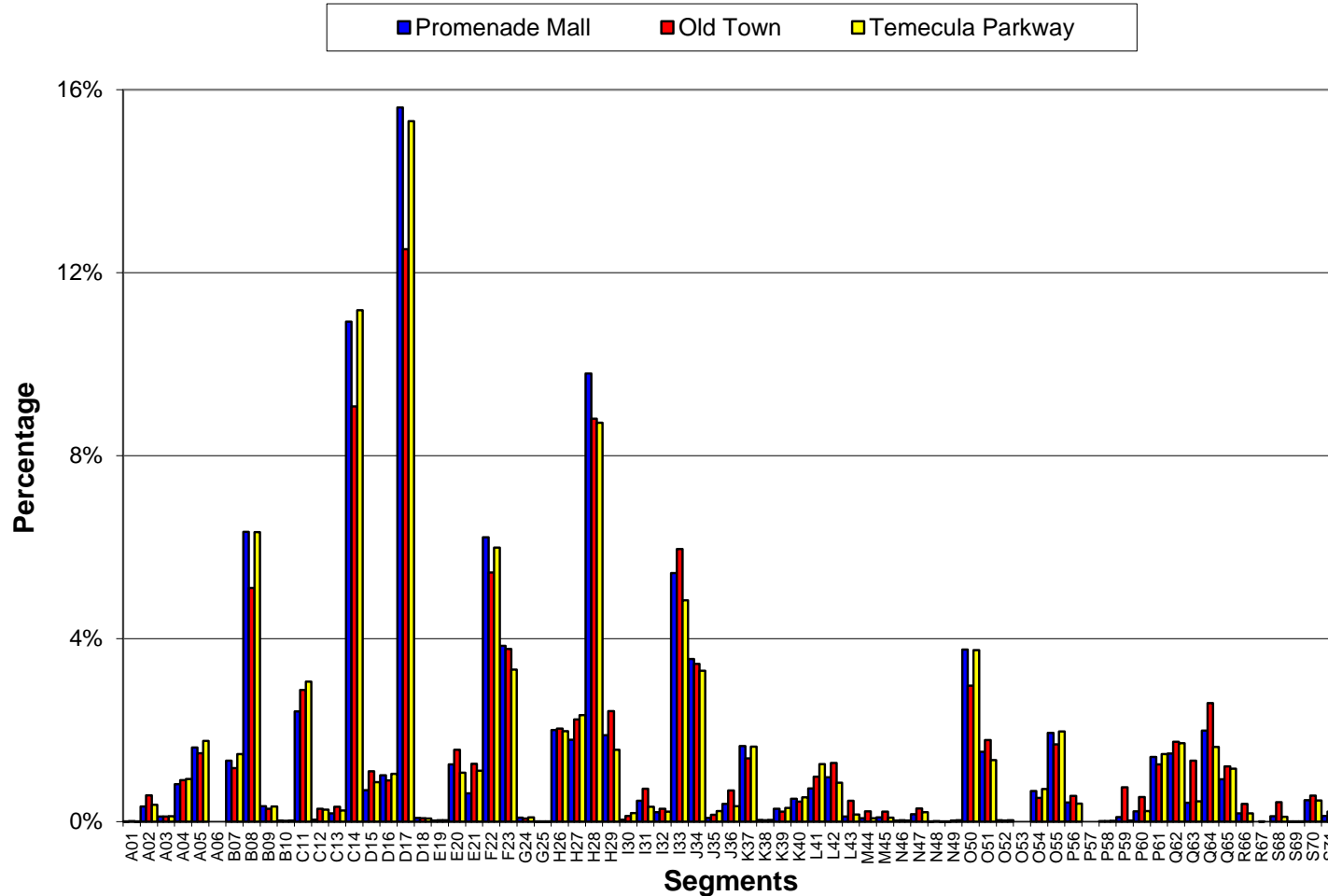
SEGMENTATION USER GUIDE

[Link to Buxton Mosaic Guide Online](#)

Mosaic Segment
Description Guide

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RETAIL LEAKAGE & SURPLUS ANALYSIS

RETAIL LEAKAGE/SURPLUS ANALYSIS

The Retail Leakage and Surplus Analysis examines the quantitative aspect of the community's retail opportunities. The analysis is sometimes called "a gap analysis" or "a supply and demand analysis" and can aid in the following:

- Indicating how well the retail needs of local residents are being met
- Uncovering unmet demand and possible opportunities
- Understanding the strengths and weaknesses of the local retail sector
- Measuring the difference between actual projected and potential retail sales

Understanding Retail Leakage

Retail leakage means that residents are spending more for products than local businesses capture. Retail sales leakage suggests that there is unmet demand in the trade area and that the community can support additional store space for that type of business.

Understanding Retail Surplus

A retail surplus means that the community's trade area is capturing the local market plus attracting non-local shoppers. A retail surplus does not necessarily mean that the community cannot support additional business. Many communities have developed strong clusters of stores that have broad geographic appeal. Examples of these types of retailers include: sporting goods stores, home furnishing stores, restaurants, and other specialty operations that become destination retailers and draw customers from outside the trade area.

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RETAIL LEAKAGE/SURPLUS ANALYSIS
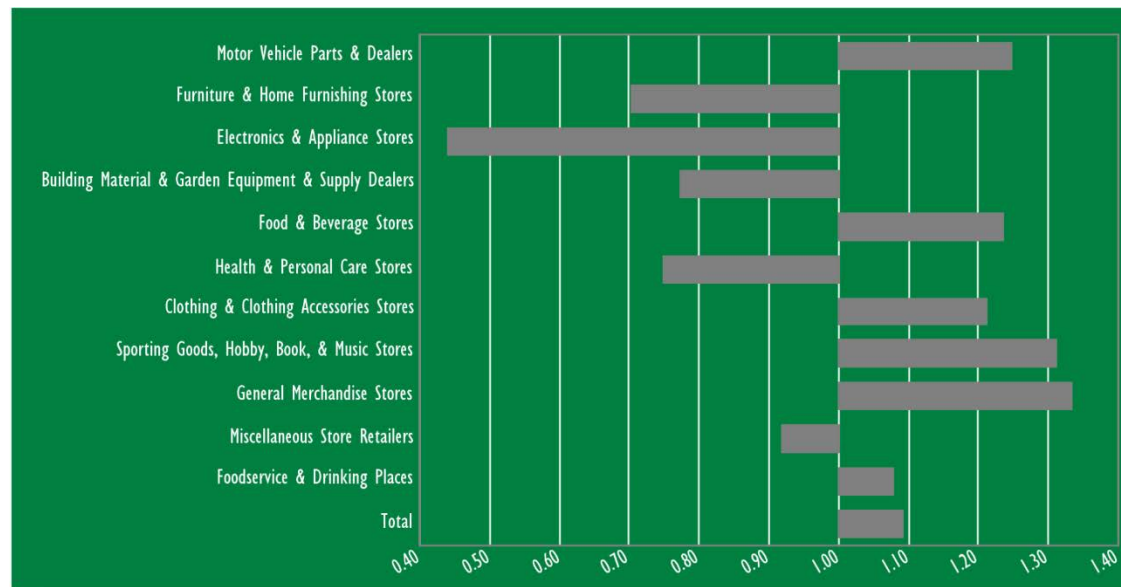
Site 1 – Promenade Mall

Interpreting Leakage Index

1.0 - equilibrium, meaning that demand and sales are in balance.

.80 - demand exceeds sales by 20%, meaning that consumers are leaving the area being analyzed.

1.2 - sales exceeds demand by 20%, meaning that consumers are coming from outside the area being analyzed.

Temecula's site 1 has an overall retail surplus of 10%.

RETAIL LEAKAGE/SURPLUS ANALYSIS

Site 1 – Promenade Mall

The quantitative comparison of retail leakage and surplus in the major store types shown in the table below provides an initial measure of market opportunities. Combining this analysis with the knowledge of the local retail situation will take the process of identifying retail possibilities one step further.

Store Type	Potential	Estimated Sales	Surplus/Leakage
Motor Vehicle Parts & Dealers	676,460,239	843,639,894	1.2
Furniture & Home Furnishing Stores	74,084,676	52,117,986	0.7
Electronics & Appliance Stores	78,617,817	34,628,452	0.4
Building Material & Garden Equipment & Supply Dealers	250,285,660	193,307,662	0.8
Food & Beverage Stores	495,718,415	612,292,137	1.2
Health & Personal Care Stores	214,698,895	160,696,147	0.7
Clothing & Clothing Accessories Stores	201,014,715	243,629,900	1.2
Sporting Goods, Hobby, Book, & Music Stores	74,070,134	97,078,733	1.3
General Merchandise Stores	156,838,710	208,962,845	1.3
Miscellaneous Store Retailers	95,535,422	87,861,672	0.9
Foodservice & Drinking Places	256,900,784	276,663,711	1.1
Total	2,574,225,467	2,810,879,139	1.1

Site 1 Retail
Leakage Report

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RETAIL LEAKAGE/SURPLUS ANALYSIS
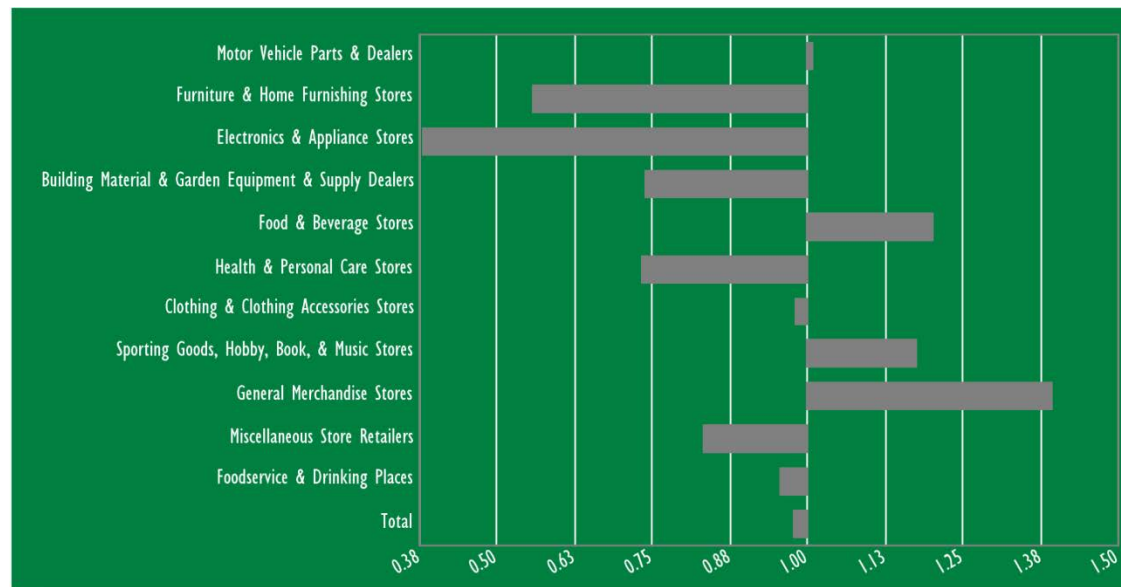
Site 2 – Old Town

Interpreting Leakage Index

1.0 - equilibrium, meaning that demand and sales are in balance.

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Temecula's site 2 has surplus and leakage in balance.

RETAIL LEAKAGE/SURPLUS ANALYSIS

Site 2 – Old Town

The quantitative comparison of retail leakage and surplus in the major store types shown in the table below provides an initial measure of market opportunities. Combining this analysis with the knowledge of the local retail situation will take the process of identifying retail possibilities one step further.

Store Type	Potential	Estimated Sales	Surplus/Leakage
Motor Vehicle Parts & Dealers	943,195,401	949,543,900	1.0
Furniture & Home Furnishing Stores	103,701,087	57,746,054	0.6
Electronics & Appliance Stores	110,578,654	41,980,032	0.4
Building Material & Garden Equipment & Supply Dealers	354,447,900	262,173,746	0.7
Food & Beverage Stores	697,914,329	837,865,344	1.2
Health & Personal Care Stores	307,453,580	225,382,760	0.7
Clothing & Clothing Accessories Stores	279,501,514	273,906,087	1.0
Sporting Goods, Hobby, Book, & Music Stores	102,999,565	120,878,086	1.2
General Merchandise Stores	219,311,194	305,067,440	1.4
Miscellaneous Store Retailers	134,258,703	111,847,437	0.8
Foodservice & Drinking Places	355,172,789	339,699,823	1.0
Total	**3,608,534,716**	**3,526,090,709**	**1.0**

Site 2 Retail
Leakage Report

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RETAIL LEAKAGE/SURPLUS ANALYSIS
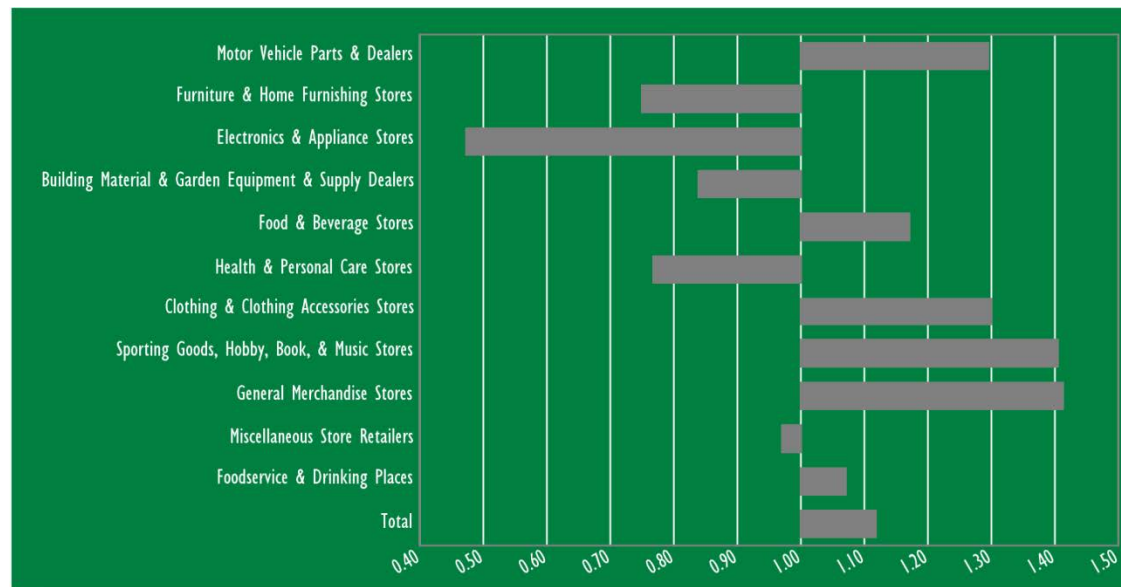
Site 3 – Temecula Parkway

Interpreting Leakage Index

1.0 - equilibrium, meaning that demand and sales are in balance.

.80 - demand exceeds sales by 20%, meaning that consumers are leaving the area being analyzed.

1.2 - sales exceeds demand by 20%, meaning that consumers are coming from outside the area being analyzed.

Temecula's site 3 has an overall retail surplus of 10%.

RETAIL LEAKAGE/SURPLUS ANALYSIS

Site 3 – Temecula Parkway

The quantitative comparison of retail leakage and surplus in the major store types shown in the table below provides an initial measure of market opportunities. Combining this analysis with the knowledge of the local retail situation will take the process of identifying retail possibilities one step further.

Store Type	Potential	Estimated Sales	Surplus/Leakage
Motor Vehicle Parts & Dealers	638,799,552	827,665,576	1.3
Furniture & Home Furnishing Stores	70,028,832	52,610,308	0.8
Electronics & Appliance Stores	74,393,943	35,152,346	0.5
Building Material & Garden Equipment & Supply Dealers	239,432,710	200,930,396	0.8
Food & Beverage Stores	468,997,948	548,629,982	1.2
Health & Personal Care Stores	204,910,654	157,617,895	0.8
Clothing & Clothing Accessories Stores	189,742,778	246,641,848	1.3
Sporting Goods, Hobby, Book, & Music Stores	69,992,948	98,358,984	1.4
General Merchandise Stores	148,190,003	209,361,469	1.4
Miscellaneous Store Retailers	90,675,109	87,991,348	1.0
Foodservice & Drinking Places	242,394,802	259,704,741	1.1
Total	2,437,559,279	2,724,664,893	1.1

Site 3 Retail
Leakage Report

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NEXT STEPS

TASK	DESCRIPTION	DATE
Receipt of Study Site	Receipt of the three study sites signifies the beginning of the retail recruitment model process.	COMPLETE
Drive-Time Trade Area and Profiles	Meeting – • Review the recommended drive-time trade area • Review consumer profiles • Review retail leakage/surplus	COMPLETE
Retail Matching	Meeting – • Review retail market conditions • Review retailer match results	*Scheduled* – Monday, April 27– 2:15 pm PST
Pursuit Packages/Contact Info/Engagement Letters	Meeting – • SCOUT Touch training • Delivery of pursuit packages, contact information and engagement letters sent out.	20 business days post identification of 10 specific retailers
Retail Recruitment Status	Meeting- • Reoccurring monthly conference call • Discuss outreach for each target retailer • Identify next steps in recruitment efforts	TBD

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DEMOGRAPHIC INFORMATION

Site 1 – Promenade Mall

Population Demographics

	2000 Census		2010 Census		2013A Estimates		2018 Projections		Percent Change 2000 to 2010	Percent Change 2013 to 2018
Total Population	132,529		257,810		270,493		323,809		94.5%	19.7%
Population Density (Pop/Sq Mi)	1,070.59		2,082.62		2,185.08		2,615.77		94.5%	19.7%
Total Households	42,132		80,267		84,075		100,929		90.5%	20.0%
Population by Gender:										
Male	65,370	49.3%	126,774	49.2%	133,108	49.2%	159,714	49.3%	93.9%	20.0%
Female	67,159	50.7%	131,036	50.8%	137,385	50.8%	164,094	50.7%	95.1%	19.4%

Site 1
Demographic Repo

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DEMOGRAPHIC INFORMATION

Site 2 – Old Town

Population Demographics

	2000 Census		2010 Census		2013A Estimates		2018 Projections		Percent Change 2000 to 2010	2013 to 2018
Total Population	196,845		359,619		377,681		445,749		82.7%	18.0%
Population Density (Pop/Sq Mi)	657.29		1,200.81		1,261.12		1,488.41		82.7%	18.0%
Total Households	64,641		113,806		119,359		141,270		76.1%	18.4%
Population by Gender:										
Male	97,297	49.4%	176,984	49.2%	185,966	49.2%	219,915	49.3%	81.9%	18.3%
Female	99,549	50.6%	182,635	50.8%	191,715	50.8%	225,834	50.7%	83.5%	17.8%

Site 2
Demographic Repo

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DEMOGRAPHIC INFORMATION

Site 3 – Temecula Parkway

Population Demographics

	2000 Census		2010 Census		2013A Estimates		2018 Projections		Percent Change 2000 to 2010	Percent Change 2013 to 2018
Total Population	131,744		238,872		250,537		296,807		81.3%	18.5%
Population Density (Pop/Sq Mi)	554.77		1,005.88		1,055.00		1,249.84		81.3%	18.5%
Total Households	42,480		75,560		79,151		94,114		77.9%	18.9%
Population by Gender:										
Male	65,195	49.5%	117,613	49.2%	123,481	49.3%	146,619	49.4%	80.4%	18.7%
Female	66,550	50.5%	121,259	50.8%	127,056	50.7%	150,188	50.6%	82.2%	18.2%

Site 3
Demographic Repo

Buxton